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SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1940

No. 383

UNITED STATES HOFFMAN MACHINERY COR-
PORATION,

Petitioner,

vs.

CUMMINGS-LANDAU LAUNDRY MACHINERY COM-
PANY, INC.

PETITION FOR WRIT OF CERTIORARI TO THE
UNITED STATES CIRCUIT COURT OF APPEALS
FOR THE SECOND CIRCUIT AND BRIEF IN SUP-
PORT THEREOF.

DANIEL L. MORRIS,
Counsel for Petitioner.

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No. 383

UNITED STATES HOFFMAN MACHINERY CORPORATION,

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vs.

CUMMINGS-LANDAU LAUNDRY MACHINERY COMPANY, INC.

**PETITION FOR WRIT OF CERTIORARI TO THE
UNITED STATES CIRCUIT COURT OF APPEALS
FOR THE SECOND CIRCUIT.**

*To the Honorable the Chief Justice and the Associate
Justices of the Supreme Court of the United States:*

Your petitioner, United States Hoffman Machinery Corporation, respectfully prays for a writ of certiorari to the Circuit Court of Appeals for the Second Circuit to review the judgment of that court rendered August 1, 1940, on an Opinion filed July 15, 1940, on which rehearing was denied July 31, 1940, and, therefore, shows as follows:

Summary Statement of Matter Involved.*(a) Nature of Suit and Summary of Facts.*

Petitioner sued respondent, Cummings-Landau Laundry Machinery Company, Inc., in the District Court for the Eastern District of New York, for infringement of petitioner's patent No. 1,723,940. The District Court entered an interlocutory decree adjudging the patent valid and infringed. Respondent appealed and the Circuit Court of Appeals for the Second Circuit, after filing its Opinion on July 15, 1940, and denying rehearing on July 31, 1940, entered a judgment on August 1, 1940, reversing the judgment of the District Court and remanding the case with directions to dismiss the complaint.

The patent covers large centrifugal extractors for removing moisture from clothing.

Petitioner, initially a licensee and later owner of the patent, extensively manufactured and sold these patented centrifugal extractors to laundries and dry cleaning plants for removing the wash water or dry cleaning fluid from the clothing.

Respondent obtained its infringing centrifugal extractors, admittedly copied from petitioner's, from a manufacturer who was formerly employed by petitioner, who assisted in building up petitioner's business under the patent in suit and who copied petitioner's extractor upon leaving petitioner's employ.

The single claim of the patent (R. 299) is directed to a centrifugal extractor which includes a cylindrical casing that is suspended on links for swinging movement. In this casing a perforated basket is adapted to rotate. The center of gravity of the basket with its load varies, lowering as the moisture is extracted from the clothing in the basket.

The heart of the invention lies in the relation between the bearing which supports the rotating basket within the

casing, the bearings which support the links on which the casing is suspended and the variable horizontal plane of the center of gravity of the basket and its load. This relationship, the specification states, results in the reduction of the extent of vibratory motion within the machine and the absorption of unavoidable vibrations that are incident to the normal rotation of the basket, thus producing petitioner's commercially successful extractor.

(b) Decisions of the Courts Below.

The District Court, after having heard the testimony of fact witnesses and the practical expert for petitioner and but a single witness, a patent expert, for respondent, and after having received briefs and heard argument, filed a memorandum opinion (R. 545) on December 8, 1939, and an Interlocutory Decree (R. 563) on January 3, 1940, adjudging the patent valid and infringed.

The District Court held that respondent conceded that the prior art does not disclose the combination recited in the single patent claim (R. 548) and overruled respondent's contention that the relationship between the variable horizontal plane of the center of gravity and the bearings above referred to (R. 551) is of no importance (utility). On the contrary, the District Court, accepting the testimony of petitioner's witnesses, held that said relationship is the critical factor in reducing excessive vibrations and absorbing the unavoidable normal vibrations (R. 559).

The Circuit Court of Appeals reversed, disregarding this finding of fact and erroneously placing the burden upon petitioner to prove utility.

In so doing the court held (R. 576-577):

"If Krantz really did add to the 'dampening effect' (i. e. the reduction of the excessive vibration and the absorption of the unavoidable vibrations—my insert) nobody has been able to verify it; all that we know is

that, when the links are of the proper length, they give good results if put in the prescribed (patent—my insert) position.”

It also held that any benefit flowing from the patented combination was “too contingent to serve” as a consideration for the issuance of a patent.

The Court of Appeals additionally stated that it was “disposed to believe” that there was no substance in the relationship of the referred to bearings and the variable horizontal plane of the center of gravity of the basket because (it held) none of the original claims specifically recited this relationship.

(c) Questions.

1. Is the burden upon a plaintiff to prove utility of the structure claimed in a patent sued upon?
2. Is a defendant who sells a copy of the patented machine estopped to deny utility?

Reasons Relied Upon for the Allowance of the Writ.

Petitioner urges that the writ be allowed because the decision of the Circuit Court of Appeals, holding, in effect, that the burden was upon petitioner to prove utility of the patented structure and that the copying respondent was not estopped to deny utility, is in direct conflict with the rule laid down in *Lehnbeuter v. Holthaus*, 105 U. S. 94; *Mumm v. Jacob E. Decker & Sons*, 301 U. S. 168, 57 S. Ct. 675; *Westinghouse Electric & Manufacturing Co. v. Wagner Electric & Manufacturing Co.*, 225 U. S. 604, 32 S. Ct. 691.

The rule of law is as stated in *Lehnbeuter v. Holthaus*, *supra*:

“The patent is *prima facie* evidence of both novelty and utility, * * *. The fact that it has been infringed by defendants, is sufficient to establish its utility, at least as against them.”

This doctrine was affirmed by Mr. Justice Lamar in 1911 in *Westinghouse Electric & Manufacturing Co. v. Wagner Electric & Manufacturing Co.*, *supra*, in which he stated:

“The patent was itself evidence of the utility of claim 4 * * *.”

Indeed, it was again affirmed by Mr. Chief Justice Hughes in 1937, in *Mumm v. Jacob E. Decker & Sons*, *supra*, in which it was stated:

“The issue of the patent is enough to show, until the contrary appears, that all the conditions under which a discovery is patentable in accordance with the statutes have been met. Hence, the burden of proving want of novelty is upon him who avers it. Walker on Patents, Sec. 116. Not only is the burden to make good this defense upon the party setting it up, but his burden is a heavy one, as it has been held that ‘every reasonable doubt should be resolved against him.’”

The rule of law as to the estoppel above referred to is stated by Mr. Justice Lamar in *Westinghouse Electric & Manufacturing Co. v. Wagner Electric & Manufacturing Co.*, *supra*:

“The patent was itself evidence of the utility of claim 4, and the defendant was estopped from denying that it was of value.”

In *Mumm v. Jacob E. Decker & Sons*, *supra*, Mr. Justice Woods stated the doctrine that where a defendant has been found to infringe the act of infringement is sufficient to establish the utility of the patented structure, which, as interpreted by Mr. Justice Lamar in *Westinghouse Electric & Manufacturing Co. v. Wagner Electric & Manufacturing Co.*, *supra*, is, in effect, that a defendant is estopped from denying the value of that which he has infringed.

In the instant case the Circuit Court of Appeals admitted that the patented structure obtained good results (576-577):

“when the links are of proper length, they give good results if put in the prescribed position.”

It then held that, even though these good results are obtained, the benefit is “too contingent to serve” as consideration for the issuance of a patent because “nobody has been able to verify it” (*i. e.*, that “Krantz really did add to the ‘dampening effect’”). This, in effect, is a ruling that the burden is upon petitioner to verify Krantz’s statement in the specification of the patent that the dampening effect (*i. e.*, the reduction of excessive vibrations and the absorption of unavoidable vibrations), is accomplished by the claimed structure, even though it is admitted by the Circuit Court of Appeals that the claimed structure does produce “good results”.

The Circuit Court of Appeals said, in effect, that the differences between the claimed structure and the prior art cannot be presumed to have utility because petitioner did not “verify” the fact.

This holding is in direct conflict with the rule laid down by this Honorable Court that the burden is upon defendant to show lack of utility, and that that burden is very heavy.

Public Interest.

It is essential that patentees be advised whether the burden is upon a plaintiff to prove utility of a patented structure, or whether the presumption of validity of the patent places the burden upon a defendant to show lack of utility.

The utterances of this Honorable Court indicate to my mind that the burden is upon the defendant to show lack of

utility, while the syllabus of the opinion of the Circuit Court of Appeals for the Second Circuit in the instant case, 46 P. Q. 294, which will be used as a thumbnail reference, indicates that the position of that Court is in direct conflict with the doctrine laid down by this Honorable Court. The syllabus reads as follows:

“(1) Nature of Patent rights.—Patent is given in consideration of some benefit to the art, but contingent benefit will not serve.

(2) Patentability—Aggregation or combination.—In general Combination of three factors, two of them familiar to the art and the third of no proved value, was matter of convenience not beyond powers of ordinary designer and not patentable.”

WHEREFORE your petitioner respectfully prays that a writ of certiorari be issued out of and under the seal of this Honorable Court directed to the Circuit Court of Appeals for the Second Circuit commanding that court to certify to this Court for its review and determination on a day certain to be therein named, a transcript of the record and of the proceedings of said Circuit Court of Appeals in this case, to the end that the said cause may be reviewed and determined by this Court according to law, and that your petitioner may have such other and further relief as to this Court may seem proper and in conformity with the law.

And your petitioner will ever pray.

UNITED STATES HOFFMAN MACHINERY
CORPORATION,

Petitioner,

DANIEL L. MORRIS,

Counsel for Petitioner.

August 28, 1940.

BRIEF IN SUPPORT OF PETITION FOR WRIT OF CERTIORARI.

Opinions of the Courts Below.

The opinion of the District Court for the Eastern District of New York, reported in 30 Fed. Sup. 448, appears at pages 545-564 of the Record. The opinion of the Circuit Court of Appeals for the Second Circuit, reported in 46 U. S. P. Q. 294, appears at pages 574-8 of the Record.

Jurisdiction.

The decision of the court below was rendered on July 15, 1940; the judgment was entered July 1, 1940; and a Petition for Rehearing was denied on July 31, 1940. The jurisdiction of this Court is invoked under Section 240 (a) of the Judicial Code as amended by the Act of February 13, 1925; U. S. C. Title 28, Section 347 (a).

Statement of the Case.

The foregoing Petition contains a summary of the material facts necessary to an understanding of the reasons relied upon for the allowance of the writ, as well as a statement of the questions involved in the case.

Specifications of Error.

The Circuit Court of Appeals for the Second Circuit erred:

(1) in reversing and not affirming the decree of the United States District Court for the Eastern District of New York which held the patent in suit valid and infringed and ordered an accounting and the issuance of an injunction;

(2) in holding that the burden is upon petitioner to prove utility of the patented structure;

(3) in not holding that the burden is upon respondent to prove lack of utility of the patented structure; and

(4) in not holding that the respondent, a confessed infringer, was estopped to deny utility.

Argument.

The Circuit Court of Appeals admitted (R. 576, 46 U. S. P. Q. 295) that none of the prior art "had ever prescribed such a relation, and we could hardly hold that the art had actually anticipated it", in speaking of the relationship between the bearings and the variable horizontal plane of the center of gravity of the basket. It then said that none of the seven original claims specifically claimed the relationship and that the specific patent claim was only put in after rejection on prior art. This, said the Circuit Court of Appeals, persuaded it that there was no substance in the detail at all. In holding that plaintiff was not able to verify the utility of the patented structure, the court placed the burden of proof upon respondent in spite of the fact that the court admitted that the patented structure did produce good results. Then it held that without such verification the differences over the prior art were of no "proved value" and therefore insufficient to support a patent.

The court was not justified in assuming that the differences were of no substance. They were broadly claimed in the original claims and the original specification fully set forth the construction and the advantages that flowed therefrom.

Original claim 7 (R. 514) recited the combination more broadly than does the patent claim and recited the relationship which produces the "good result" broadly as "a support for said casing constructed to permit easy lateral vibrations of the casing". It is quite usual in the original patent application broadly to claim the combination and

then specifically revise the claims in view of the art. This has been held to be perfectly proper in a situation similar to that in the instant cause by this Honorable Court in *De La Vergne v. Featherstone*, 147 U. S. 209, 13 S. Ct. 283, 288, in which Mr. Chief Justice Fuller said:

“In the case at bar there was not only no amplification of the original application by the amendment, but it was within the scope of the original specification, and a limitation and narrowing of the original claim, so that it was the identical invention sworn to by Boyle; and there was no more reason for requiring a new oath from his administratrix than there would have been for requiring it from Boyle himself.”

The court was not justified in ruling, in the absence of evidence, that there was no utility in the claimed invention because the burden was upon respondent to prove lack of utility, and certainly it was not justified in so holding as the infringing machine is admittedly a copy of the commercially successful machine of respondent, which machine was, as held by the Circuit Court of Appeals, within the scope of the patent in suit (R. 578, 46 U. S. P. Q. 296). Nor was it justified in so holding because, having held that the patented combination does produce “good results”, it was bound to hold that the prior art, which the court admitted fails to disclose the combination, does not negative invention in the combination of the claim sued upon.

Conclusion.

It is respectfully submitted that the Petition for Writ of Certiorari should be granted as prayed for.

Respectfully,

DANIEL L. MORRIS,
Counsel for Petitioner.

August 28, 1940.

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FILED

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CHARLES ELMORE GROPLEY
CLERK

IN THE
Supreme Court of the United States

OCTOBER TERM, 1940.

No. 383.

UNITED STATES HOFFMAN MACHINERY CORPORATION,
Petitioner,

v.

CUMMINGS-LANDAU LAUNDRY MACHINERY COMPANY, INC.,
Respondent.

**BRIEF FOR RESPONDENT IN OPPOSITION TO PE-
TITION FOR WRIT OF CERTIORARI.**

CLARENCE B. DES JARDINS,
Counsel for Respondent.

September 17, 1940.

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UNITED STATES HOFFMAN MACHINERY CORPORATION,
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CUMMINGS-LANDAU LAUNDRY MACHINERY COMPANY, INC.,
Respondent.

BRIEF FOR RESPONDENT IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI.

Opinions of the Courts Below.

The decision, which petitioner seeks to bring up for review, is one by the United States Circuit Court of Appeals for the Second Circuit, in an ordinary patent suit, which adjudged the only claim of Krantz patent, No. 1,723,940, to be void for want of invention. This decision (R. 574-577) is reported in 113 F. (2d) 424. It reversed a decision of the United States District Court for the Eastern District of New York (R. 545-562) reported in 30 Fed. Sup. 448.

Jurisdiction.

The jurisdiction of this Court is invoked by petitioner under Section 240(a) of the Judicial Code as amended by the Act of February 13, 1925, U. S. C. Title 28, Section 347(a).

Statement of the Case.

The complaint (R. 2) was filed on March 31, 1937, and charged respondent with infringement of United States Letters Patent of Krantz, No. 1,723,940. After trial, the District Court rendered an opinion (R. 545) holding the patent valid and infringed and entered a decree (R. 563) for petitioner. On appeal to the Circuit Court of Appeals, an opinion (R. 574) was rendered on July 15, 1940, reversing the judgment of the District Court and holding the patent void for want of invention. A petition for rehearing (R. 577) filed July 26, 1940, was denied (R. 583) on July 31st.

The Krantz patent in suit (R. 299) is for a centrifugal machine and relates "to a machine adapted for the drying of clothes, textile materials, or other articles, by the action of centrifugal force, the articles to be dried being placed in a whirling basket so that the moisture is driven out therefrom by the centrifugal force generated by the rotation of the basket". The patent in suit purports to cover certain improvements upon that old type of centrifugal machine which comprised a casing, in which a vertical basket shaft was journaled on bearings carried by the casing, a basket having a perforated wall being fastened to the upper end of the basket shaft so that it was revolved rapidly within the casing when the basket shaft was driven by a suitable motor. The clothes, or other material to be dried, were placed in the basket and centrifugal force drove the water from the material out through the perforations in the basket into the casing, from which it was drawn off. It was practically impossible to load material into the basket so that the weight would be distrib-

uted symmetrically about the axis of rotation, and it had long been known that this uneven loading resulted in excessive vibrations, when the basket was rotated at high speeds. This difficulty was cured, years ago, by suspending the casing from three or more links, the lower ends of which had ball joint connections with lugs on the casing, while the upper ends had similar joints connecting them with stationary brackets arranged around the casing. The single claim of the patent in suit purports to cover a machine, such as we have described, improved in three particulars, to wit: (1) The upper basket shaft bearing is located in the horizontal plane of the center of gravity of the basket and load. (2) The upper link bearings, that is, the ball joints at the upper ends of the links, are located in the same horizontal plane. (3) The basket shaft is driven by a motor mounted on the lower portion of the suspended casing.

The Circuit Court of Appeals found (R. 575) that the first feature clearly had been anticipated by Bryson patent, No. 1,311,871 (R. 399). It found, further (R. 576), that the third feature was likewise old. As to the second feature, it found (R. 576) that there were instances in the prior art in which the upper ends of the links were approximately in the plane of gravity of the load, although nobody had ever prescribed such relationship. The opinion then continues, as follows (R. 576):

“Krantz declared that it produced ‘a more efficient dampening effect’ (p. 2, ll. 102, 103); but upon this record it is extremely doubtful that it does anything of the sort. Ray, the defendant’s expert, said that the only important factor in ‘dampening’ was the length of the ‘links’, and while it would perhaps be unfair to say that Locke, the plaintiff’s expert, actually committed himself, he seemed to agree; at least he admitted on cross-examination that it was the optimum length of the ‘links’ that was the controlling factor. There is, however, an advantage in having the tops of the links as low as possible; they are then out of the way of the basket, and the rigid brackets can be shorter.

And on the other hand, there is an advantage in not having them too low, for that would require lowering the lugs below the bottom of the 'curb'. Neither of these was Krantz's purpose and, indeed, when he filed his application he had no idea of including this feature in his patents at all. None of his seven claims contained it; and it was only after the examiner had rejected them all on Bryson that his solicitor introduced it and that too without any oath. It appears to be rather his invention than Krantz's. We are therefore disposed to believe that there is no substance in this detail at all, but even if there is, the patent cannot rest upon it. If Krantz really did add to the 'dampening effect', nobody has been able to verify it; all that we know is that, when the 'links' are of proper length, they give good results if put in the prescribed position. But so they do in any position. The discovery, if there was indeed a discovery, was empirical in any event, and its importance does not justify imposing upon competitors the handicap of designing their machines so as to be deliberately inconvenient. A patent is given in consideration of some benefit to the art, and any benefit is here too contingent to serve."

Having shown that the patent could not be sustained, because of any one of the features, individually considered, the Circuit Court of Appeals addressed itself to the question whether the presence of the three features, in a single machine, was sufficient to sustain the patent and reached the conclusion that it was not, saying (R. 577):

"It is enough here that the combination of three factors—two of them familiar to the art, and the third of no proved value—was a matter of convenience not beyond the powers of the ordinary designer. The patent has had some success, but it comes to no more than putting the motor into Bryson's 'curb' and the 'links' in their obviously most convenient position. Such permutations ought to remain open to the art at large; it requires no exceptional talent to call them forth."

Summary of Argument.

1. The questions of law submitted by the petitioner, and which it asks the Court to pass upon, were not presented in, or decided by, the Circuit Court of Appeals.

2. The decision of the Circuit Court of Appeals turned entirely upon a question of fact, lack of invention, and there is no conflict between circuits on this question of fact.

I.

The questions of law submitted by the petitioner, and which it asks the Court to pass upon, were not presented in or decided by the Circuit Court of Appeals.

Petitioner has submitted the following questions of law:

(1) Is the burden upon a plaintiff to prove utility of the structure claimed in a patent sued upon?

(2) Is a defendant who sells a copy of the patented machine estopped to deny utility?

Neither of these questions was considered or decided by the Circuit Court of Appeals. There was no contention that the patented machine, in its entirety, was lacking in utility. The plaintiff's machines, as well as defendant's, are useful. Petitioner was not required to prove the utility of its patented machine. Such utility was admitted. There was no question as to whether defendant could deny the utility. There was a question of fact, as to whether the location of the upper link bearings, specified in the patent, contributed anything to the utility of the machine, and that question was decided against petitioner, in the light of expert testimony which was not in conflict (R. 576). Accordingly, we submit that the questions stated by petitioner did not arise in the trial or decision of the case below, and that no questions of law were decided by the Circuit Court of Appeals, in this case, contrary to established principles or rules of law.

II.

The decision of the Circuit Court of Appeals turned entirely upon a question of fact, lack of invention, and there is no conflict between circuits on this question of fact.

It is apparent from the decision of the Circuit Court of Appeals that the only question decided by it was one of fact, that is, whether the improvement required merely mechanical skill or the exercise of the faculty of invention. The Court has held in *Thomson Co. v. Ford Motor Co.*, 265 U. S. 445, 44 S. Ct. 533, that that is a question of fact. The Court held in *Layne & Bowler Corp. v. Western Well Works*, 261 U. S. 387, 43 S. Ct. 422, that the writ of certiorari should not be granted "except in cases involving principles the settlement of which is of importance to the public as distinguished from that of the parties, and in cases where there is a real and embarrassing conflict of opinion and authority between the circuit courts of appeal." And in *Keller v. Adams-Campbell Co.*, 264 U. S. 314, 44 S. Ct. 356, the Court held:

"Such an ordinary patent case with the usual issues of invention, breadth of claims and non-infringement, this Court will not bring here by certiorari unless it be necessary to reconcile decisions of Circuit Courts of Appeal on the same patent."

There is nothing in the decision of the Circuit Court of Appeals, in the present case, which requires that it be reviewed by the Court in the public interest, or to reconcile conflicting decisions of Circuit Courts of Appeal on the same patent.

Conclusion.

The petition for a writ of certiorari should be denied.

Respectfully submitted,

CLARENCE B. DES JARDINS,
Counsel for Respondent.

September 17, 1940.